

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Keshi Zhan

MUR 4530

CONCILIATION AGREEMENT

This matter was initiated based on information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. An investigation was conducted and the Commission found probable cause to believe that Keshi Zhan ("Respondent") knowingly and willfully violated 2 U.S.C. §§ 441e and 441f in connection with contributions that she made, or caused to be made, to the Democratic National Committee ("DNC").

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding.

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent is a U.S. permanent resident.

2. At all times relevant hereto, Yah Lin "Charlie" Tric was a U.S. citizen.

3. At all times relevant hereto, Ng Lap Seng was a foreign national as defined at 2 U.S.C. § 441e(b).

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COUNSEL  
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1           4.       It is unlawful for any person to make a contribution in the name of another  
2 person or to knowingly permit his or her name to be used to effect such a contribution.

3       2 U.S.C. § 441f.

4           5.       Foreign nationals are prohibited from contributing money, or anything of value,  
5 to a candidate for any political office, including Federal, State, or local office, either directly or  
6 through any other person, pursuant to 2 U.S.C. § 441e(a) and 11 C.F.R. § 110.4(a).

7           6.       A foreign national is an individual who is not a citizen of the United States and  
8 who is not lawfully admitted for permanent residence, as defined by section 1101(a)(20) of  
9 Title 8 of the U.S. Code. 2 U.S.C. § 441e(b).

10          7.       Prior to February 1996, Ng hired Respondent to work for him and for Trie in the  
11 Washington office of his company, San Kin Yip. Respondent's duties included bookkeeping,  
12 faxing documents, and taking care of the office suite.

13          8.       Trie, a fundraiser for the Democratic National Committee ("DNC"), was told by  
14 John Huang, another fundraiser for the DNC, that if he and Huang raised one million dollars for  
15 an event entitled "the Asian Dinner-Hay Adams Event" ("the Hay-Adams event"), they could  
16 host the event and that President Clinton would then attend.

17          9.       Respondent attended the Hay-Adams event on February 19, 1996. In connection  
18 with the dinner, at Trie's direction Respondent contributed \$12,500 by check dated February  
19 19, 1996 which was deposited into the DNC's federal account. Ng reimbursed Respondent for  
20 her contribution.

21          10.       In addition, at the suggestion of Trie. Respondent agreed to collect checks from  
22 other eligible donors so that Ng's guests could attend the event. Respondent collected a total of  
23 \$25,000 from her friend, Yuefang Chu, and from Chu's relative by marriage, Xiping Wang.

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1 These funds were deposited into the DNC's federal account. Neither Chu nor Wang, who are  
2 permanent residents, attended the event. Respondent reimbursed Chu and Wang with funds  
3 derived from Ng.

4 V. Respondent violated 2 U.S.C. §§ 441e(a) and 441f by permitting her name to be  
5 used to effect a contribution for which she received reimbursement from Ng, a foreign national.  
6 Respondent also violated 2 U.S.C. §§ 441e(a) and 441f by soliciting contributions from  
7 individuals whom she reimbursed with Ng's funds.

8 VI. Respondent will pay a civil penalty to the Federal Election Commission in the  
9 amount of Twelve Thousand and Five Hundred Dollars (\$12,500), pursuant to 2 U.S.C.  
10 § 437g(a)(5)(A), with such penalty to be paid as follows:

11 1. One initial payment of \$4,167 payable upon submission by Respondent of the signed  
12 agreement.

13 2. An additional payment of \$4,167 due on or before June 15, 2002.

14 3. An additional payment of \$4,166 due on or before March 13, 2003.

15 4. In the event that the installment payments referenced in ¶ VI, §§ 1, 2 or 3 are not  
16 received five business days after they are due, the Commission may, at its discretion, accelerate  
17 the remaining payments and cause the entire amount to become due upon ten days written  
18 notice to Respondent. Failure by the Commission to accelerate the payments with regard to any  
19 overdue installment shall not be construed as a waiver of its right to do so with regard to future  
20 overdue installments.

21 VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.  
22 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review  
23 compliance with this agreement. If the Commission believes that this agreement or any

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1 requirement thereof has been violated, it may institute a civil action for relief in the United  
2 States District Court for the District of Columbia.

3 VIII. This agreement shall become effective as of the date that all parties hereto have  
4 executed same and the Commission has approved the entire agreement.

5 IX. This Conciliation Agreement constitutes the entire agreement between the parties  
6 on the matters raised herein, and no other statement, promise, or agreement, either written or  
7 oral, made by either party or by agents of either party, that is not contained in this written  
8 agreement shall be enforceable.

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10 FOR THE COMMISSION:

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12 Lawrence H. Norton  
13 General Counsel  
14

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16  
17 BY: Rhonda Vosdigh  
18 Rhonda Vosdigh  
19 Acting Associate General Counsel  
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11/15/01  
Date

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22 FOR THE RESPONDENT:

23 Frederick J. Hill  
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26

9.26.01  
Date

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